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THE CASE FOR
CO-OPERATION



THOMAS E. MITTEN

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THE ROCKY ROAD TO NOWHERE

WE shall get on better and faster with this job of reconciling the conflicting aims of capital and labor, if only we shall keep constantly before us a true and accurate perspective of the history and magnitude of the task to which we have committed our hands and hearts.

Instead of being something of relatively recent origin, a few decades, say, or even generations, the problem extends back into the centuries so far as fairly to stagger the imagination. In fact, one must go back to the very beginning of recorded history to find its root.

I recall with no small interest the reply which Thomas E. Mitten once made to an enthusiastic supporter of his policies, immediately following a signal advance in the development of the Co-operative Plan, for more than anything else it disclosed a recognition of the immensity of the struggle, a struggle that has endured for ages and will continue for countless years yet to come.

"You have solved the problem of capital and labor," said this friend. For a moment Mitten seemed amused, then a little disturbed.

"I should like to agree with you. Perhaps it may be solved, wholly solved some day; but that will not be in your time or mine. What I have done, I believe, is to point the way to something better. My work now, I think, is the foundation upon which succeeding generations will build ever higher and higher.

"Ten years ago the Co-operative Plan first attracted national interest. It was hailed as the Golden Rule of modern industrial relations. But the Co-operative Plan of to-day is incomparably superior. We have refined and improved upon it to a degree that could not have been foreseen in those days. Similarly, our Plan of ten years hence will be an even more perfect instrument, I feel quite certain.

"There is no short-cut to enduring success in the field of industrial relations; at least I have found none. Our work here has

been a gradual up-building, a sort of evolutionary process through which we have passed to reach our present state. And I rejoice in the thought that those who follow will be enabled to make faster progress over this stretch of the road, for our dies, templets and patterns will be at their disposal whenever they may elect to make use of them."

It is a far cry indeed from the turmoil and industrial unrest of the present to the reign of Hammurabi, King of Babylon, B. C. 2285, compiler of the earliest code of laws extant. Yet, strange as it may seem, even in his time, one finds man energetically searching for a workable solution of the interlocking interests of employer and employe.

The Hammurabian code is of peculiar interest to us in that it first established the principle of a minimum wage for the workers. Specifically, the code mentions boatmen, reapers, threshers, herdsmen, shepherds, drivers, labourers, artisans, brickmakers, tailors, stone cutters, milkmen and carpenters, for each of whom a stipulated minimum wage is laid down.

Joseph McCabe, in his *EVOLUTION OF CIVILIZATION*, points out that nearly a fifth of the code is taken up with concern for the workers, and that this unique instrument is chiefly remarkable for its deep and pervading concern for justice, despite its having been conceived by a despotic oriental monarchy of four thousand years ago. Plainly, we of to-day have more in common with this extinct phase of world civilization than we sometimes realize.

Thus, for quite four thousand years has man been chasing himself around in a circle, ostensibly in search of some practicable medium for equitably apportioning the fruits of labor; in reality, engaged in a more or less sustained effort to devise some form of relation, some system, which would permit of his having his cake and eating it. Nor have his motives always been those of a crusader, for much of his time seems to have been spent in a vain endeavor to formulate a satisfactory substitute for the word "equitable."

Moreover, time has run with him, for what with the almost ceaseless waging of war and the intermittent rescuing of civilization,

the eternal struggle between capital and labor again and again has been shunted into the background of his activities. But always it has returned to plague him, a thing that would not down, and will not. In the end he must face it, must tackle it with a mind single to the advancement and well-being of organized society, for no problem more perplexing or more susceptible of good to-day confronts mankind than the determination of a just and proper relation between worker and employer.

Much water has flowed over the wheel since the time of Hammurabi, yet the basic principles with which we are now dealing have not much changed. Proponents of old school theories of denaturing man's natural inclinations still pin their faith in a disordered past; still divert their gaze from what promises approach to a better state; still cling tenaciously to the soul-deadening principle of a minimum wage, the while lamenting its incapacity to function effectively in the light of present-day conditions.

We have progressed in some respects, undeniably. But have we advanced in reasonable ratio to the length of time we have been on the way? Four thousand years is a long span as things go, only to find capital and labor still deadlocked in destructive combat, combat that has never brought to either anything save perpetual strife and misunderstanding, and mutual retardation of development and prosperity.

The galling fact fronts one that society has not acquitted itself creditably in one of the most sacred responsibilities intrusted to man. Science, art, letters, education, war, commerce, the professions—everything, in fact, has been brought to a higher and more perfect state of development within recent times. Only industrial relations, the division of the joint product of labor and capital, has lagged in the rear of human advancement, at once the most courted and shunned of world problems. A thing to prate about, to clothe with sterile ideals, to coddle and praise and chide by turns—but never to attain to its rightful position in organized society, save as the hand of selfishness has been forced or clutch-fisted tradition obliged to yield a modicum of concession.

What, one may ask, is the true relation that should exist between capital and labor? And what have we learned from the centuries to guide us to a clearer and fairer determination of this perplexing problem? It is an age of science in which we live, of progress, enlightenment, betterment. All around one sees evidence of man's increasing insight into and mastery over the elemental truths and forces of life. Surely, society must now have formulated very definite theories and practices to govern the relation of employer to employe, and of the means whereby their differences may be reconciled without recourse to the blundering misconceptions of the past.

But has it? And if so, what are they? And how do they operate, and when? And with what measure of success?

I am not sure that I should not have denominated this an age of refinement as well as of science and progress, for that better than anything else describes much of the machinery that has been set up in our time to meet and adjust disputes in the field of modern industry. I am speaking now of the situation as a whole, and without references to exceptional departures of the character dwelt upon in succeeding chapters.

The strike and the lockout are old time acquaintances of distinguished lineage, still in the enjoyment of perennial youth and as potent for harm as ever in their history. But we of to-day have refined them to quite some extent, for we now have the general strike, the sympathetic strike, the jurisdictional strike, the strike on the job—and its first cousin of ill repute, sabotage. Then, also, we have perfected those three adjuncts to a better understanding between capital and labor—the blacklist, the boycott, and the secondary boycott.

But no chronicle of our accomplishments would be at all complete which did not include our gunmen, our bombers and strongarm gentry, our arson squads and train wreckers, our sluggers and assassins, guerillas and intimidators. And have we not arsenals of high explosives, deadly poisons and chemicals, mob violence and property destruction—all of which are invoked at relatively frequent intervals

to aid men to a clearer understanding of the issues at stake in these controversies?

I need not go into details of the savagery that has developed of recent months in these industrial disputes. These appeals to brute strength and to the primitive instincts of man are of too recent origin to warrant extended comment. But what I do want to pin to the mat is the fact that this utter disregard of the sacredness of human life, this contempt for the rights of others, this flaunting of all restraint, this exercise of unbridled passion—is symptomatic of the downward trend of modern industrial relations, which, if allowed to continue unchecked, must ultimately lead to a condition of chaos and stagnation.

The record does not make pleasant reading; but it must be faced, nevertheless, clear-eyed and unfalteringly. We have backed and filled through the centuries, nay throughout the last decade—if you please—until now we are engaged in the melancholy task of scraping the bottom of the barrel. Human folly can do little more toward the manhandling of industrial relations. Avowed antagonists, watchful, suspicious, hostile—worker and employer to-day stand in relatively the same attitude toward each other that they have maintained for generations, nay for centuries on end.

We've been a long time awishin' and ahopin' on this job, and nourishing what Wells has termed—"A persistent disposition to solve the problem by some simple formula, and be happy ever afterwards." High ideals and noble thoughts we've had aplenty, but precious little inclination to put them into practice. When I think of the little use that men of great talent and high place commonly make of their marvelous opportunities to serve their fellow creatures, to break the shackles of material selfishness, and to open up new avenues of usefulness and happiness to untold millions by helping them to help themselves, I can divine but little hope of betterment until we first shall have developed a race of leaders of new viewpoint, of new ideals, new objectives. Men who will be willing to share the fruits of their God-given gifts with those

less fortunately situated, and who shall look upon power and position, wealth and influence, as commands to serve the cause of humanity.

It is a large order, but it can be filled. Mitten came upon the fork of the road, just as have hundreds of other men of exceptional worth and ability. One route stretched away to ease, and affluence, and self-consideration. It was straight and well-paved, inviting, and frequented by men intent only upon their own personal advancement. The other fork led up hill, and was stony, and rough, and hard to travel. Its guidepost contained such words as Sacrifice, Disinterestedness, Willingness to Serve.

As he stood there debating his decision, as had many before him, perhaps he saw a vision of hundreds of eager faces lining that little-travelled path just as they had for centuries, with eyes feverishly scanning the hurrying throngs at the crossroads, wondering, ever wondering when a champion should step out from that vast number and choose their path, the path of patient humanity, of a thousand glories that travellers on the other fork of the road would never know.

It is difficult work, this breaking with tradition and its spawn of intrenched prejudices, special privileges and protected favorites. Certainly not a task for men of feeble purpose or weak resolve. Countless generations, millions of men, have lived their lives and passed on without possessing the requisite courage or vision to hazard the attempt, submitting to conditions of which they may have disapproved but for which they had no remedy they dared sponsor.

Not every man can make the decision that Mitten made, nor stick to it with that unquenchable zeal which alone can give it value. But many can and in time many will. It is from men of this fibre that our leaders of the future must be recruited. Already enough has been accomplished to point the way, to raise a little the curtain which obscures our future trend in industry. Van Dyke has said—"We must be willing to take a long view and a wide view." Let us speed the day when our leaders, both of capital and labor, shall find it in their hearts to substitute the long wide view, for the short, narrow, selfish view.

We have stood too long in one place for our own good; nor have we always been honest with ourselves in seeking a real solution of our problem, for we have dogged the steps of a leadership that has had nothing constructive to offer, and which even now seeks only to perpetuate itself in office. We have been loath to encourage initiative in its struggle upward toward higher and better standards of industrial life, yet ever ready to sacrifice it on the altar of sordid self-interest. Thus have we milled around through the years, always in motion but never getting anywhere; a tragic figure of wasted energy, misdirected effort, incompetent guidance.

We have allowed passion, and prejudice, and muddy thinking to strut up and down the council table where only calm reasoning, exact justice, and a proper regard for the rights of others should have place. Men of narrow purpose and small vision, alike representing capital and labor, have been privileged to usurp and torture the fine principles attaching to the science of collective bargaining, until it has become distorted into something approaching an engine of oppression.

Yet I would not have it appear that men of generous impulse and large purpose are not to be found in the ranks of both capital and labor, nor that they have not striven valiantly to uphold the best and highest traditions of the cause of modern industrial relations. No words of mine can add to or detract from the splendid record which they jointly have set up in the interests of a better, sounder, more humane understanding between these great forces. Trail-blazers in the wilderness of a confused, stampeded, ill-advised mass of humanity—they constitute the nucleus of a new school of leaders to whom the world ultimately must turn for a way out of the morass in which industry to-day finds itself.

But these men must have support, encouragement, opportunity to bring their talents to bear. Their numbers must be increased and their field of effort widened. It is a herculean task they have set themselves—nothing less than that of guiding the millions to a broader and deeper conception of the duties which they owe not only to themselves, but quite as well to industry as a whole, and to

the processes of orderly government. It is a goal worthy of the best minds and hearts of a nation.

Clearly, the true relation between employer and employe is not, cannot, must not be that of antagonists! If ever there was a weak link, a crippling theory, a damning policy grafted onto the science of industrial relations, it is this. Strikes and lockouts, gunmen and greed, boycott and blacklist—what have these in common with the aims and aspirations of men engaged in joint enterprise? If these be the sum of our vision and wisdom after four thousand years of development, society well may feel chagrined, for human progress in company such as this is but a misnomer.

Does not the question almost jump at one from the printed page—"Why wait another hundred years for slow-footed evolution to perfect a relationship between employer and employe that may be had now, in our own time, if we will but attune our heads and hearts to a higher and better conception of our duties one to another?"

LEADERSHIP A SACRED TRUST

WHEN I was a very young boy my father told me the story of an eccentric citizen of Newburyport, Massachusetts, who a hundred years before had written a book every page of which was destitute of punctuation. In the back of the book, however, he inserted a dozen or more pages of punctuation marks, with a polite request that the reader sprinkle them in to suit his own fancy in such matters.

And now, years afterward, in pondering what qualities one should possess for successful leadership of the human element in industry, I think I should be disposed to catalogue all of the eminently desirable traits inhering to mankind, on the theory that all must be helpful, all in some degree contributory to right thinking, just balancing, fair dealing between men.

I am not at all disturbed by the thought that no living creature ever may hope to measure up to so perfect a standard of human excellence. It is enough if labor and capital can be brought to see that their common interests can be cultivated and developed henceforth only by leaders who "stand clear and clean for service." Thus, my gun-shot prescription for leadership does not so much imply that leaders shall be paragons of virtue or temples of wisdom, as it does that they must stand for principles which cannot but appeal to all men of fair purpose and sound judgment.

A few weeks since I listened to an address by a distinguished leader of organized labor. I experienced no difficulty in convincing myself that he honestly believed in the views that he was expounding. But it was all very disappointing. Mired in the mud of class hatred and blind opposition to any movement for mass betterment which did not find its origin within his own circle of followers, he pounded down the old familiar trail, with never a new thought, nor a fresh idea, nor a constructive suggestion.

But one phase of his address appealed to me with especial force. It was that part wherein he made a powerful bid for co-operation

between the several great groups which make up his organization. Instinctively the thought occurred to me that if co-operation is so essential to the success of a portion of industry, why should it not prove equally beneficial if applied to the whole of industry? Perhaps labor and capital are not so far apart after all, if only each can develop a school of leadership big enough to see both sides of an issue of such gigantic proportions.

It is a grave responsibility that devolves upon men who lead, be they leaders of capital or labor; a responsibility weighted down with the solemn duty of guiding their fellows to spheres of larger usefulness and greater happiness. To the man in the ranks, whether he be worker or investor, leadership may and oftentimes has spelled success or failure for an entire span of life.

How often have men lived their lives and passed on, who never had a chance to experience the joy of living as their Maker intended that they should! Who struggled on and on, weary, patient victims of unsound leadership and eternal conflict which held for them nothing but disappointment and wasted opportunity!

How often have thriving concerns been wrecked, efficient organizations disrupted, promising ventures checked or perilously exploited, the savings of investors wiped out, the cumulative effort of years literally frittered away—because of leadership that could not foresee, or did not know, or would not listen to the counsels of reason and human experience.

Men risk their all and struggle on against hopeless odds, foredoomed to failure and disappointment—because of faulty technique in the higher command. Now capital offends, now labor, now both. Business falters, investors hesitate, initiative is stunted, workers lose confidence; whole communities blight, the very course of lives is changed, men crumple and drop out of the race, and the innocent suffer—because of wrong-headed theories of leadership.

Or, perchance, the tide may flow in the opposite direction, and men, and institutions, and communities made to flourish like a grove of green bay trees—because of the vision, and justice, and wisdom

of leadership. It is difficult even to approximate the power for good that wise and constructive leadership exercises over the lives of men and their industrial enterprises, so widespread is its beneficent influence throughout the entire fabric of modern society. The wonder rather is that society at all tolerates the execrable misuse to which leadership is so often put in the field of present-day industry.

What an opportunity, then, for big hearted, big brained, big ideaed men to get together, to sink their differences and to pool their matchless talents for the common good of mankind; to make a determined, united, co-operative drive to work out a practicable solution of this colossal problem with which organized society has played so fruitlessly these many years!

Who wouldn't follow to hell and beyond, the type of leader who can so far forget self as to place the whole of his genius and ability at the service of the men in the ranks of industry, be they workers, investors or consumers! The kind of leader who will speak up for them, work for them, think for them in terms of constructive progress and mass betterment!

There are such men, plenty of them, who if placed in the crucible of self-sacrifice, manfully will measure up to every requirement of loyal, generous, unselfish leadership. Absorbed now in the perplexities of a system of industrial relations that has run itself ragged, they need but to have this greater field of service properly presented to them to enlist their truly invaluable aid. A hundred such men, equally divided between capital and labor, within a twelve months can do more to promote the well-being of the whole of industry, than has been accomplished by old-school leadership in the past hundred years.

Students of industrial relations marvel at the bond of friendship which exists between Mitten and his army of co-workers. Marvel no longer, I would say to them. The secret of his success, if secret it may be termed, lies deep-seated in the fact that he has done, and is now doing, just what is being set down in these pages as prerequisites to the successful leading of men. He is experiencing the joys of a flesh-and-blood leadership that slowly is bringing about a revolu-

tion in the science of modern industrial relations, and this despite the reactions of material-minded contemporaries who profess to view with alarm each fresh departure from the beaten path of a now discredited school of leadership.

Industrial leaders must stand or fall upon the results of their efforts, as in all other walks of life. So, if it be thought that my appraisal of the worth of their methods is a little too severely drawn, I can only reply—"By their fruits ye shall know them."

Take, for example, the average labor upheaval. One almost would think that the throwing of a thousand or more men out of employment is of no greater moment than the declaring of a half holiday, so blithely do leaders assume responsibility for such decisions. A complaint, a grievance, an ultimatum, a strike. Buoyed up by promises often most difficult of fulfillment, the workers go forth to a venture that leads they know not where. A period of idleness, a compromise, return to work, and proceed as before. This is the system, this the instrument that society has evolved after centuries of effort for the adjusting of industrial differences!

It is a pretty picture for leadership to contemplate. Arbitrators flutter about, public opinion is apathetic, politicians seek vote-catching issues among the debris, agitators inflame the workers' minds, employers put up the shutters until the storm shall have passed, capital pockets its loss, payrolls cease to function, merchants dig into their reserves, while the burden upon the taxpayer grows apace as the maintenance of law and order becomes more difficult. All of which takes no account of the suffering and deprivation visited upon those in no wise responsible for such affairs, nor of the inconvenience and danger occasioned the general public.

Unfortunately, the exercise of force is about the only game the average labor leader knows, just as stonewall resistance constitutes the principal stock in trade of so many employers of labor. It is the old, old story of the irresistible meeting the immovable, with the dear, bewildered, long-suffering public standing in between. Year on year, clash on clash, strike after strike, the asinine swirl continues with ever-increasing fury—getting nowhere, accomplishing nothing, solving nothing.

Leadership? What manner of leadership is it that cannot evolve a system of industrial relations between capital and labor, which will admit of their making and selling a pair of shoes without staging a public brawl over the division of profit accruing from their joint industry?

If ever we are to find middle ground in this thing, we first must find leaders who know the way to middle ground. That leadership is to-day palming off a very inferior product is best evidenced by the inferior results it is getting. Analyze, if you will, the formula which it commonly employs for the adjusting of controversies:—

The stand-and-deliver ultimatum of labor is met by the take-it-or-leave-it fiat of capital. A clash of minds, an open breach, and in the twinkling of an eye men fly at one another's throats. The ease and facility with which men revert to type is nowhere more markedly demonstrated than in these perennial conflicts in industry. Just as prehistoric man fought over the spoils of the chase, so men now fight over the fruits of industry, displaying the same elemental passions and reacting to the same primitive instincts that swayed their forbears. Always the appeal to force, to brute strength, to remedy inequalities that can be made to yield a solution only through the medium of reason, and justice, and good-will between men.

Labor must come to understand that leaders who seek to prosper its cause through the medium of appeals to passion and prejudice and violence, are themselves pitifully destitute of the very qualities which make for successful leadership among men. It must demand a higher standard of stewardship in its leaders, if it would attain to its full stature in industry—must comb its ranks for men who can think constructively rather than destructively—must think, and plan, and act for itself—must prepare itself effectively to co-operate with capital along lines and to ends of which it once little dreamed. All this, in contradistinction to blindly following the leadership of irresponsible fire-brands who commonly reach the limit of their capacity once they have plunged their adherents into idleness, and then can conceive of no means of extricating them save by recourse to covert intrigue or mass lawlessness.

Each fresh breakdown of the machinery of industrial relations as at present constituted, and there have been many of them of late, furnishes but an added reason and a new need for the more general adoption of the Mitten theory of a common denominator between labor and capital; a drawing together of employer and worker under the benign influence of an equitable apportionment of responsibility and of the rewards of effort.

Obviously, then, our leaders of the future must be men of wider horizon and loftier purpose. Not specialists, mark you, who shall concern themselves solely with the problems of labor, nor yet of capital; but rather leaders of industry in the sense that they will seek unreservedly to promote the interests of all that go to make up the whole of industry. Let me make this a little plainer:—

Heretofore, our Captains of Industry, whether of capital or labor, really have been nothing so much as Captains of factions in industry, specializing in finance or labor, organization or distribution, sales or production. As between capital and labor, however, exceptions are rare indeed wherein such Captains have not leaned pronouncedly to one side or the other.

Thus the query arises whether we shall not have to create the equivalent grade of General of Industry, for leaders who shall possess both the capacity and the will impartially to foster and safeguard the interests of the great trinity: public, worker, investor. When Mitten first enunciated this theory of tripartite responsibility for industrial leadership, along in 1911, few were prepared to believe that it was workable, so thoroughly sold had people become to the idea of the utter incompatibility of the three great forces involved. Yet, to-day, its vision and practicability have arrested the attention of a nation. To-morrow, it will have become standardized procedure.

It has been said that the way to hell is paved with conferences. Perhaps this is so, but there are so many routes by which one may reach the place, that I shall not be deterred from believing that many serious misunderstandings between labor and capital primarily arise from the fact that leaders first get themselves into hot water,

and then seek to confer after the damage has been done. Without contact it is difficult to establish confidence in one's good intentions, the very condition from which industry is now suffering in acute form.

If confidence means anything at all in such matters, it is that leaders shall honor their undertakings, shall exchange views frankly and truthfully, shall deal with facts and not bluff, shall work in the open and seek no under-handed advantage. It is the confounded jockeying and thimble-rigging that so many leaders delight in, that keeps good men at loggerheads so much of the time. Of course, in such circumstances the indispensable element of faith is entirely lacking.

Reduced to its final proportions, the interminable struggle between capital and labor really is nothing so much as a state of mind, broad-based upon an almost universal lack of faith in man's willingness to deal fairly with his fellows. Faith must be put back into the game, as I see it; for where there is no faith, there will be no enduring solution of the problem.

Anything, everything, therefore, which shall conduce to the establishing of confidence between these great economic forces, must of necessity be accepted as prerequisites to success. But since mutual confidence is a double-barreled affair actuated by a delicately adjusted hair-trigger, neither capital nor labor may hope to advantage itself by clipping the corners of its responsibility, save at the cost of undermining the very foundation of their joint undertaking.

It can be done, for it has been done. Mitten and his ten thousand associates made the grade while all the world looked on. Whole-souled, out-in-the-open, he-man methods which will not wither under the sunlight of top-table dealing, are what we must come to, labor and capital alike, if we would know the way to higher levels and better things in industry.

Industry must search out leaders of genius and tested ability to guide and to encourage this re-awakening of faith; leaders who shall know how to reconcile conflicting interests without disrupting the processes of industry; who shall know how to balance facts with a

just regard to the equities attaching to each; who will possess the capacity to grasp both sides of an issue, and do justice to both.

Though it will be a formidable task which will confront these gifted leaders of men, it will, nevertheless, be one in which they will glory because of the magnificence of their contribution to the material well-being and advancement of millions of workers and investors throughout all industry. One may well count himself fortunate to be numbered in such a company.

Never was life's stage better set for such an undertaking, nor characters more willing to play their parts. The masses await the voice of a leadership which shall guide them unerringly to higher ideals of service and greater accomplishment. It is the hour of opportunity, of bright prospect, of deep-seated hope!

HELL AND TEN BRASS BUTTONS

FOR a great many years opponents of the liquor traffic based their appeals almost entirely upon emotional and humanitarian grounds, and though they exerted a powerful influence upon public opinion, it was not until the problem was approached from an economic standpoint that they succeeded in tapping their source of greatest strength.

A not dissimilar situation to-day confronts those who would substitute granite, steel and concrete supports for the rotten piling upon which rests our present system of industrial relations. Incidentally, a tremendous amount of pioneering has been necessary to the construction of working models, going concerns, living exhibits of co-operative effort between capital and labor, before the deadly parallel could be clamped onto the two schools of thought.

Enough and more is now in hand to prove most convincingly that the economics of the situation run entirely in favor of industrial co-operation. It could not well be otherwise, for industrial blood-letting and blood-sucking is but a fool's game at best. The green fields of industrial peace, plenty and prosperity lie not in that direction. Nor can one well believe that the masses, whose labor and savings are so inextricably interlocked with the well-being of industry, long will rest content to be ever at one another's throats once they sense the golden possibilities of productive co-operation.

In point of production, efficiency of operation, energy and co-ordination of aim and effort, no strike-ridden, discontented, embittered organization can hope to compete with outfits which, uninterrupted, are able to devote the full strength of their organizations to the purposes for which they were designed.

Truth to tell, it is an unequal contest which seeks to oppose closed factories and idle workers, with hard hitting, close selling, quick turnover competitors who have no strike losses to underwrite, and whose output not only is more dependable, but even of superior

quality because of the stronger appeal which they are enabled to make for the services of skilled craftsmanship.

But here let me make plain that Mitten's success in remoulding the viewpoint of the human equation in industry, has been predicated quite as much upon what I would term heart-interest, as upon a proper regard for the tested economics of modern business principles. Paradoxical as it may sound, he seems to have developed the faculty of thinking with his heart as well as his brain, in approaching tasks which have to do with the flesh-and-blood aspects of this greatest of problems.

We must not complain of the fruits of our own incompetence. For years we tried to make of industry an impersonal, denatured, machine-like transaction between worker and employer—and we failed as we deserved to fail. If the worker of to-day is uninterested in his tasks to the point even of open revolt, it is because he, too, has lost contact with the true ideals of service and is patterning his attitude upon that of his employer. The lesson was taught too well, it would seem; or perhaps it was not intended that it should go quite so far.

Somehow we must beat back to first principles, to the point where industry, in the eyes of worker and employer, shall become something more than a mere collection of buildings, and bosses, and machinery, and prejudices; to the point where genuine interest can be awakened, and energy stimulated, and pride of accomplishment aroused in the breasts of men. Men, themselves, have not changed in the last fifty years—but conditions have. And it is to these changed conditions that men have been trying more or less unsuccessfully to adjust themselves.

Perhaps the reader will take issue here, contending that the attitude, capacity and viewpoint of the worker of to-day is quite unlike that of his predecessor of years gone by. There is so much collateral evidence to support such a conclusion that I am not at all surprised to find a majority of employers holding to this opinion. But what they entirely overlook in their calculations, is the fact that the in-

dividual worker of recent years has had as little to do with shaping the trend and policies of the labor movement, as has the employer himself.

Forced into organizations of which he may disapprove, but with which he must affiliate if he would obtain employment, he has gradually been deprived of his initiative, individuality and independence of thought. Hedged in by an autocracy of leadership that has prescribed when, where and how he may work, or may not work, I do not see that he has had any alternative open to him, save that of going along with thousands of others as helplessly situated as himself. In such circumstances it is idle to talk of the democracy of labor, for as such it simply does not exist.

Rather than hold the workers responsible for the short-comings of unwise, narrow, uneconomic leadership, I should be disposed to inquire of employers what they have done, are now doing, or propose to do toward aiding the workers to a better understanding of the fundamentals which underlie the great problem of modern industrial relations. For if we are to work toward firmer ground and happier conditions, someone must take the initiative; and if the employers themselves will not assume this responsibility, at least they should refrain from complaining because labor, with infinitely less opportunity, likewise hesitates to take the lead.

But have the workers really changed in their outlook upon industry? Happily, I can subscribe to no such sentiment, for within the past dozen years I have watched ten thousand men and women, in no wise different from millions of other American workers, convincingly demonstrate both the willingness and the capacity to respond to appeals for increased effort and greater efficiency, immediately it had been made plain to them that they, too, were to share in the fruits of their greater exertions.

In this instance, a body of workers who had been running along on a dead level of sub-mediocrity for upwards of forty years, neither better nor worse than hundreds of similar organizations elsewhere, were suddenly awakened to the fact that if their condition was to be

improved, they themselves must lend a hand. It took a little time to get the idea across, to win their confidence, and teach them team work. But of this more later.

Suffice to say, they had not changed at heart, any more than has the great mass of American workers. They were ready to do their part, and doubtless had been for years, immediately they were relieved of the soul-deadening influences which had held them chained to prejudice, indifference and inefficiency. Yet they did nothing that others cannot do with equal success, and will not do, if given the guidance of courageous leaders who are willing to step out of the ruck of mediocrity and take their stand for the better development of the whole of industry.

I think the story has not before been told of what first awakened Thomas E. Mitten to the cruel injustice and blind incompetency of our latter-day conception of industrial relations. In view of what he since has accomplished toward the up-building of a more humane system, a system of infinitely greater economic possibilities, it is significant to know that the initial impulse came straight from the heart.

Along in 1895, Mitten associated himself with the Milwaukee railway system, only to learn that the employes even then were being groomed for a walkout. In a few weeks the storm broke, the resulting strike proving one of the most bitterly contested in the annals of American railroading. The struggle dragged on with the usual accompaniments of lawlessness, violence and terrorism, until finally the men returned to work. It was his first contact with such an upheaval, and as the weeks rolled into months he began to wonder whether there might not be a better and more humane way of adjusting such differences between capital and labor.

One morning during the latter days of the conflict, in the course of which Mitten had been assaulted, shot and stabbed, a little boy called at the office and requested an interview. Timidly he thrust forward a grimy little hand which held a sealed envelope. Mitten opened it and out rolled ten brass uniform buttons such as trainmen

wore, with a note from the boy's mother in which she asked that the fifty cents deposit for the buttons be returned to her.

The little fellow's story was simply told. His daddy had gone on strike weeks before, not because he wanted to but because he feared not to. With no funds coming in, the family had gone from bad to worse until, in a frenzy of despair, the husband and father had shot and killed himself. And now the mother needed that pitiful fifty cents deposit to aid her in meeting pressing expenses.

For a time Mitten was silent, gazing at the boy and thinking of the little hell on earth through which he and the lad's father had been forced to pass during the preceding weeks. He was reaching out for ideas, for a solution that was as yet intangible, elusive, baffling. Upon but two points did he feel himself secure—that the then existing state of industrial relations was crude, impracticable, inhumane—and that any betterment in these relations must of necessity be predicated upon a higher and nobler evaluation of the worth of the human equation in industry.

Of all tributes that can be paid a leader of industry, I think this quite the finest, the truest, the best—that he heard the cry for relief, that he listened, and his heart was touched; that he forthwith determined to devote the remainder of his life and all of his talents to relieving the distress and confusion of ideas that had given rise to that cry.

What a subject for contrast! Before me comes the picture of another leader, a man of remarkable ability and unquestioned genius; immensely wealthy, influential, retired. I scan his life and marvel at his achievements, at his rise from lowly estate to heights which few men attain. His triumphs are legion, his interests far flung, his honors many and varied. Truly, a full life and a profoundly successful one.

But now that wonderful life is drawing near the full tide of its glory. The heat of the day has passed and the calm of evening is at hand. It is a time meet for reflection and meditation. And I would say to my dear friend:

“You have stood long on the mountain-top of life’s material successes. With your great talents you have outstripped most of your fellows. Opportunity has resided with you as an intimate friend of your household, ever at your command and always solicitous of your desires, an obedient and faithful servitor, almost.

“My friend, a question! Look back with me over those glorious years, those years of opportunity that will not return. Do you hear that faint far-off cry of millions of men, hundreds of them perhaps workers in your own plants? It is an appeal for generous, broad-visioned, constructive leadership in industry, an appeal that can only be answered by men of great vision, of uncommon talents, of genuine heart-interest in the well-being of mankind.

“And now, a final question, my friend! In your splendid life, what portion of your talents, what measure of your time, what share of your great opportunities, have you devoted unreservedly to the cause of fellow creatures less fortunately placed than yourself? Are the masses, are the workers, is even a single worker, the happier and better situated for your having lived?”

My questions will remain unanswered, I know, for like so many other men of great constructive ability, of towering intellect and marvelous courage, he worked his wonders and lived his life without ever hearing the cry of distressed humanity. What a loss, what a tragedy, that men so richly endowed should pass without having contributed something substantial to the happiness and material well-being of countless other men who never were to know the joy of having a fair chance!

Call it sentiment, or kindness of heart, or human consideration, or what you will—unselfish leadership is the stuff that draws men together in industry, that smoothes out the rough spots along the way, that kindles interest and stimulates effort. For the parasites of perpetual unrest who fatten on discord and misunderstanding, it holds nothing at all. But for the worker, the investor, the consumer, the public at large—it holds the golden key to better things and brighter times.

More than anything else industry to-day has need of leaders who can put a soul into business, and a heart into the science of industrial relations. Humane, kindly, feeling, sympathetic leaders, both of capital and labor. Men of long wide view, resourceful, determined. Creators, builders of good-will between men, upstanding exponents of the principle of live-and-let-live. The kind of men of whom Sam Walter Foss wrote:

“I see from my house by the side of the road,
By the side of the highway of life,
The men who press by with the ardor of hope,
The men who are faint with the strife.

But I turn not away from their smiles nor their tears—
Both parts of an infinite plan;—
Let me live in my house by the side of the road
And be a friend to man.”

Dollars alone will never build red-blooded morale into an industrial organization; we proved that pretty conclusively during the war. I recall a shining example, a concern that used the sky as a wage limit, yet had no fewer than sixty-three strikes of varying dimensions within a two-year period, culminating finally in a veritable conflagration of unrest. But dollars, plus an effectively conceived system of relations in which worker and employer both actively participate, and in which each shoulders a proportionate share of responsibility, will do it to the satisfaction even of the most critical.

If the good-will of one's customers is an asset in business, with a potential monetary value that may not be denied, who will challenge the statement that the same factor of good-will as between employer and employe, does not also constitute an asset of incalculable worth to the usefulness, happiness and prosperity of both?

Roosevelt once said * * * “The really valuable * * * the invaluable * * * reform is that which in actual practice works; and therefore the credit due is overwhelmingly greater as regards the

men and women actually engaged in doing the job, than as regards the other men and women who merely agitate the subject or write about it."

I should like to cite here a single representative example of the reciprocal confidence and good-will which industrial co-operation engenders between capital and labor.

During the period of the war and for nearly two years afterward, Mitten clung tenaciously to the pre-war rate of fare, despite steadily mounting costs of every description. Late in 1920, however, under the provisions of the four-city wage average, the employes automatically became entitled to further substantial wage increases, to meet which no funds then were available. It was a delicate situation, extremely delicate, with labor holding the trump cards.

And how did labor acquit itself in such a situation?

Why, its representatives went into conference with management, canvassed the problem from all angles, and then advanced the proposition that the payment of the increased wage should be deferred until such time as management was able to swing it. Eight months later the full amount of back wages was paid with interest to date of payment, the whole totalling something in excess of one million dollars.

Thus, with no perceptible increase of pulse, labor and capital swung a million dollar deferred wage deal, with good faith and mutual confidence as the sole securities pledged for the fulfillment of the obligation.

THE RESPONSIBILITY OF LABOR

WE sat one morning discussing the effort then being put forth by a small but determined group of irreconcilables to foment discord among the employes of the Company, in the hope of creating sentiment favorable to a strike.

The Philadelphia Co-operative Plan had successfully weathered the first four years of its existence, years of unexampled progress and prosperity for the workers. It seemed scarcely credible that anyone seriously could wish a return to conditions of which they once had complained so bitterly.

Mitten listened attentively to the reports and opinions of his associates, now and then asking a question, but otherwise taking no active part in the discussion. I could not divine what was passing in his mind, though I instinctively felt that a struggle was going on to master and dispel a shadow of disappointment that had crept into his soul, a disappointment that labor should now falter after four splendid years of unselfish devotion to an ideal that meant more, much more, to labor than to him.

But I was wrong. He had been thinking years ahead of his associates. And his decision was reached with a suddenness quite characteristic of him, when at last he had balanced the factors of a problem to his own satisfaction and determined upon his course of action.

"Labor now knows enough of my hopes and plans intelligently to settle this question for itself. It is a truly wonderful opportunity to test the permanence of my work here, and if the roots are as deep down as I think they are, this squall will have little real effect. We will keep our hands severely off. Labor, and labor alone, must give the decision."

But to those others who likewise had built their hearts into the structure, the intervening weeks were not without a certain sense of anxiety lest the workers should fail to grasp the full import of the issue thus intrusted to them. Meantime matters progressed rapidly.

Pressed with all of the relentlessness and studied misrepresentation so inseparable from such agitations, it was no easy matter calmly to stand aside pending the issue of events.

Still Mitten stood unyieldingly to his fixed determination of non-interference. His confidence in the sound judgment and ultimate good sense of labor was not to be shaken, be the field reports good, bad or indifferent. The seed was in the ground and he was well content to await the coming of the crop.

"Let the thing alone," he would say. "I must now know definitely whether labor can be counted upon to play a man's part in this game. There are two ends to the log, and one of them belongs to labor. Presently we shall see what sort of partner labor is going to make."

It was a classic experiment, epochal in the history of American industrial relations. Through four years of the closest collaboration with management, labor apparently had found itself. And now, untrammelled, uninfluenced, unrestrained, it was to decide for itself what course its destiny should take. It had exercised its right to equal voice and vote in the shaping of the co-operative movement; now it was to accept or reject an equal share in the responsibilities of its own creation.

In good time labor announced its decision in terms that admitted of no misunderstanding, for of 6500 men, exactly 424 ceased work and relinquished their positions in response to the demands of a leadership that had overstayed its time, outgrown its usefulness as a constructive agency in the affairs of modern industry, and outgeneralled itself because of its stupid adherence to methods which no longer appealed to thinking men.

Backed by the resources and prestige of an international organization of great power and influence, on an issue that was clean-cut and decisive, the sponsors for a return to the old order of things failed to make even a respectable showing, because of their inability to stack up against the known results of co-operative effort, anything that seemed to offer equal promise of betterment to the condition of labor.

It is interesting to compare Mitten's calmly reasoned resolve to permit his fledglings in co-operative enterprise to test their wings in the cross-currents of labor controversy, without counsel or support of any kind—with the irresolution and panic which labor's big stick so often inspires not only in management, but even in the ranks of its own followers. Organized labor trotted out its usual line of hocus-pocus, only to find that co-operation was actually doing for labor what it vainly had been striving to do for years.

In the confusion and turmoil incident to acute misunderstandings in industry, it is perhaps but natural that men should lose their sense of direction, and the worse made to appear the better reason; that contracts should be disregarded, confidence undermined, good faith flouted as a thing without worth, and the interdependent relations of worker and employer played up as so many articles of war. Such upheavals beget men little save hatred and suffering, neither of which has ever served any useful purpose in industry. Nor does stoppage of production solve anything, momentary advantages to the contrary, since the earnings of capital and the wages of labor can come only from production. It is a wasting effort, an exhausting process, this intermittent forging ahead and slipping back, now a gain and now a loss.

Hence the need for a first-hand tie-in between capital and labor, between worker and employer; for an immediate, on-the-ground, always ready, pre-determined method by which each may feel privileged and welcome to bring up for joint review and prompt adjustment, matters which affect the well-being of either or both, and which might otherwise lead to friction or even open break. The gentle art of disseminating manufactured propaganda is always a doubtful enterprise where close contact, free discussion and quick decisions obtain. In such circumstances men at least may know what the true facts are, and what is to be said for and against the different views thus developed in open discussion.

It is largely because of the absence of any practicable vehicle for the interchange of ideas and opinions, that strikes and lockouts occur. Mitten's whole theory of industrial co-operation is based upon the

necessity for providing a common denominator between capital and labor, a fifty-fifty apportionment of power, responsibility and opportunity. But he will never countenance the notion that co-operation may be invoked as a stop-gap, as an insincere subterfuge to counter-balance the playing of industrial politics in which capital and labor maneuver for mastery of position. Above all else co-operation is a ground-gripper; it is idle to attempt to build it from the twentieth story down, instead of from the foundation up.

To him, co-operation is a living, breathing, pulsating organism for the development and betterment of the whole of industry; a force which holds limitless possibilities of which he is as yet able to see but the beginnings. So all-conquering is his belief in the latent ability and good faith of labor effectively to co-operate with capital in industry, as fairly to overwhelm those who profess to look upon labor as a poor relation of capital, to be pampered and placated at times, but never to be admitted to the inner family circle. A single interview usually suffices to make plain his own attitude in such matters.

Curiously enough, the guiding spirits of organized labor have worn themselves to a frazzle of late years, trying to refine and regild theories and methods which long ago passed the zenith of their ultimate. Pounding down the old trail, the beaten path, the well-worn road to familiar haunts, appears to be their nearest approach to progressive planning and constructive thinking. It is not that they have lacked creative ability, but rather that their entire point of view has been dominated by and saturated with the obsession of acquiring mastery over the processes of production, as well as the machinery of distribution.

Compared with the persistency and resourcefulness of their struggle for top-control, their contributions to the betterment of industry as a whole have not been particularly numerous or notable. By way of illustration, the current fetish of restricted effort and lowered output as a medium for improving the condition of the workers, is an economic anachronism that even now is back-firing against the better interests of its victims. More than anything else

it is this clutching at unsound theories, this worshipping of threadbare dogmas which are made to do duty as principles, this perpetual fostering of class spirit and reactionary sentiment in the workers, that is responsible for the impoverishment of constructive thinking in labor's leadership.

But Mitten insists that all this is leading industry nowhere that men really want to go, and he points to the record of the last fifty years to substantiate the correctness of his conclusion. Further, he holds that there will be no enduring solution of the great problem until both capital and labor relinquish their ambition to establish a "mastery" over each other. They may be partners, or co-workers, or co-operators—but "masters," never!

As an alternative to this condition of stalemate and stagnation, he conceived a new angle of approach, a re-grouping of forces, a consolidation of interest and effort, an effective economic instrument for mutual progress and betterment—labor and capital working together to joint accomplishment—in fine, productive industrial co-operation.

Mitten pretends to no monopoly of high ideals and lofty views touching modern industrial trends, for he rejoices in the knowledge that hundreds of other leaders of excellent purpose are quite as sincere as he in their desire to hasten the coming of an era of good-will and sound understanding between capital and labor. But he cannot convince himself that the mere expounding of such ideals, however meritorious they may be, will bring about the desired end within our own time and for the people of our own generation. To his mind, leaders must be willing to make personal sacrifices for the cause if they would give point and effect to their teachings.

Francis Bacon expressed it better—"But power to do good is the true and lawful end of aspiring. For good thoughts, though God accept them, yet toward men are little better than good dreams, except they be put in act; and that cannot be without power and place, as the vantage and commanding ground."

Confessedly, the leaders of organized labor are not as yet prepared to welcome any movement which aims at the democratization

of mass labor. "The workers," say these leaders, "are not competent to represent themselves in council with management. They lack the necessary knowledge and experience requisite to the protection of their own interests." And so they continue to centralize power within a relatively small circle, giving no thought and making no provision, seemingly, for educating the workers to the point where they may become competent to think and act for themselves.

Mitten looks at things differently, for he asks:

"How is one to know that the workers are not qualified to exercise discretion and authority in matters touching their own welfare and that of industry at large, if they never are to be given the opportunity to test their powers, and to develop the qualities essential to participation in management?"

It is here, and I think it well that careful note be made of my remarks, that Mitten differs from almost every other great leader of labor, in that he not only has the most implicit faith in the ability of mass labor to shoulder responsibility in joint management with capital, but also that he is ever ready to put his faith to the test of actual accomplishment. Capital quite generally fears to trust labor in such a capacity; fears its immoderation, its irresponsibility, its erraticisms. Not so Mitten, for did not labor stand loyally to its ideal in the spring of 1922, when capital itself threatened to wobble badly and to back up on its own agreement? And did not labor dig into its own pocket to pull capital through at a time when capital scarcely knew its own mind?

Mitten's eyes light up with a merry twinkle when he is asked whether there is not danger in delegating such wide powers to the representatives of the workers.

"It's the difference between tune up and tone down," he will reply. "I started this work with a bunch of hell-roarin' man-eaters. First thing I did was to clothe them with authority. They blinked a bit and looked at me rather sharply; thought I was trying to gold-brick them, I guess. But when they found I meant business, they came up to the scratch like men. They hadn't been accustomed to being trusted and were sort of out of practice. To-day I have ten

thousand sober-minded, clear-thinking, loyal-hearted business associates helping me to manage this property. Danger? That's hardly the word. Better call it safety!"

He has been tried, condemned and executed so many times because of his boundless faith in labor, "Putting his head into the lion's mouth," as one nervous critic described it, that the experience has lost all novelty for him. To a timid soul who sensed danger at every turn he once said—"Go back home and hire some courage." Upon another occasion, after having listened to an intemperate discourse upon keeping labor rigidly in its place, he inquired of his visitor how often his men went out on strike. "Oh, about every eighteen months, I should say." "You have a very patient lot of men with whom to deal," was Mitten's rejoinder.

Mitten enjoys telling the story of a manufacturer, a man of large interests, who traveled several hundred miles to warn him of the disastrous consequences which must follow any attempt to educate the workers along managerial lines. Such work could only lead to discontent and unrest, he felt convinced, and in the end would work much harm to the better interests of the employes. He was still in full flight when a telegram was handed him announcing the call for a strike in his largest plant. He was invited to remain over a day to attend the regular monthly conference between men and management, but he felt impelled to hurry his departure to more troublous fields.

It is both helpful and encouraging to know with what sympathy and understanding Abraham Lincoln discussed the conflicting interests of capital and labor in his first Annual Message to Congress. I am indebted to Lyman Abbott's *SILHOUETTES OF MY CONTEMPORARIES* for the quotation:

"Labour is prior to, and independent of, capital. Capital is only the fruit of labour, and could never have existed if labour had not first existed. Labour is the superior of capital, and deserves much the higher consideration. Capital has its rights, which are as worthy of protection as any other rights. Nor is it to be denied that there is, and probably always will be, a relation between capital and labour

producing mutual benefits. This is the just and generous and prosperous system which opens the way to all—gives hope to all, and consequent energy and progress and improvement of condition to all.”

I cannot but speculate upon the interpretation which Mr. Lincoln intended to be drawn from the words—“A relation between capital and labour producing mutual benefits.” Obviously, he must have had in mind a harmonious relation, a relation of understanding, of joint purpose and common effort, for “mutual benefits” do not flow from mutually destructive policies. A relation, doubtless, that would respect and protect the rights of labor and of capital impartially, the while seeking to better the condition of each. Clearly, the key thought is that of mutuality of interest and effort.

Thus was it destined, a half century afterward, that a gifted leader of men of our own time should translate into deed and actuality, the inspired message which the immortal President dedicated in his time to the cause of a happier and more prosperous condition of industry; a message of good-will and understanding and co-operation between worker, employer, and investor.

THE GOSPEL OF FIFTY-FIFTY

FROM time immemorial the function of management seems to have been looked upon as a prerogative of capital, a kind of arbitrary power that confers upon "dollar interest" a priority of right and authority over "human interest."

Thus denied participation in managerial responsibility, and forced by the very nature of things to go along as a sort of poor relation of capital, labor not unnaturally developed an antipathy for management as well as for capital, a state of mind conducive neither to harmony within an organization, nor to any profitable consolidation of interest and effort between employer and employe.

Perhaps more than any other single factor, this age-old sequestering of authority in matters basicly co-operative, this lop-sided application of the law of self-preservation, this placing of labor and labor's interests without the pale of managerial protection, has been responsible for alienating from management the support and goodwill of the worker.

It is here that Mitten's conception of the true aim and scope of management takes advanced ground some distance removed from old-school theories in such matters. Hence, any attempt searchingly to analyze his mission in industry, must of necessity be predicated upon a thorough understanding of certain fundamentals which he holds to be constituent functions of management.

Primarily, he finds himself in open conflict with any plan or theory which would seek to justify capital in arrogating to itself exclusive and sole domination of management, as though such an advantage over labor were a prerogative inhering to it through a kind of divine right.

On the contrary, he believes that management should so develop and expand as naturally to operate as a common denominator between capital and labor, being supported and contributed to by both, and working disinterestedly for the better and higher interests of

both. Thus he holds that the very seed and essence of the co-operative movement springs from an equality of opportunity, responsibility and protection, by and between capital and labor, with management functioning as the directing influence for the common good of both.

Again, he maintains that not only should opportunity be afforded labor to participate in some effective manner in management, and so in the formulating of policies and working conditions intimately affecting the success of management, but even that it fairly may be expected, nay called upon, to render such co-operative assistance as may lie within its giving. This, on the theory that true responsibility inevitably entails the assumption of definitely defined obligations of some character, in industry as in other walks of life.

But, having once accepted labor's friendly offices with respect to its willingness to assume the responsibilities and obligations so inseparable from active participation in management, how far is capital willing to go, and what evidence is it prepared to give, of its recognition of labor's worth to such a co-partnership of industrial goodwill, interest and effort?

Henry Ward Beecher has said—"You cannot pray cream and live skim milk." Similarly, if we of to-day really believe that men can accomplish more and better results by thinking, working, planning, pulling together—than they can by clinging stubbornly to a dog-eat-dog policy of slay, slaughter and butcher—then industry must be ready to show its good faith in such an arrangement by something more substantial than flowery language, something more satisfying than bright promises and hopeful prospects.

In fine, both labor and capital must be educated to the really boundless possibilities of industrial co-operation, not by oratory, but by deeds actually accomplished in the open. Thus management must back up its newly found channels of achievement with tested, proven, concrete results; with exhibits, so to speak, that all men of fair mind and progressive views may inspect and weigh in the light of their own experience.

What more natural, then, that Mitten should insist as a part of his work, that increased effort, greater efficiency and the assumption of responsibility by labor, should justly entitle it to share with capital in the division of added profits so earned. Or that he should promptly put this conviction into operation immediately he had educated capital and labor to the point of its effective approval and adoption.

To quote his own words:

“Co-operation for increased production, wherein labor is given a fair participation in the results of its added effort, has proven its ability, under the Mitten Plan, to double production, thus giving assurance that, through co-operative effort, higher standards of living can be accomplished and labor itself become increasingly the possessor of capital.

“Philadelphia Rapid Transit employes own 60,000 shares of P. R. T., equalling one-tenth of the entire capital stock. This purchase was largely accomplished through the use of the Co-operative Wage Dividend, equalling 10% of annual payroll, which is being fairly earned by the men through added efficiency in economic accomplishment.

“Mitten Men and Management, co-operating in Philadelphia, during the period 1911-1921, created added annual net income of \$16,000,000, through patronage induced by developing the short riding habit, savings through increased production, elimination of waste, and reduction in accident costs. During this period, rides per capita were doubled by intensive salesmanship, without increasing the number of men employed.”

It is not to be expected, of course, that labor will develop the capacity for actively participating in management without the advantage of suitable preliminary training, or at least a reasonable opportunity to acquaint itself with the new responsibility. Viewed in this light, industrial co-operation is a progressive educational process in which increasing responsibility and widened participation is delegated to labor, as rapidly as labor is able to receive and digest it. It will be understood that this has no reference to the tedious

process by which men raise themselves from the ranks to executive or administrative positions, but rather to the means by which mass labor may be brought to the support of management, through the medium of having elected representatives sit in the councils and function as an integral part of management.

It is no part of my purpose here to recount the many remarkable results jointly achieved by capital and labor under the benign influence of productive co-operation, most of which have been treated of in an illuminating manner by the leading journals and magazines of the day. But one point I should again like to stress, for I think it of no small importance to my case:

When labor collectively invested its own cash in the purchase of the first ten thousand shares of the capital stock of the Philadelphia Rapid Transit Company, and so gave substantial evidence of its good faith and earnest purpose, Mitten promptly responded by opening his directorate to an elected representative of the workers. For this position the workers selected one of their own number, who many years before had entered the employ as a common laborer, and who painstakingly had schooled himself for managerial responsibility by years of service on the different representative bodies provided under the Co-operative Plan.

No single incident better illustrates the warmth of feeling and depth of confidence which can be built up between management and labor, than did this. When, a little later labor came through with the purchase of an additional 50,000 shares of the stock of its own company, all bought within a twelve months, it effectually spiked the guns of those who would croak, and croak, and croak, of the irresponsibility of labor.

I cite these few highlights merely to show that labor can be counted upon to the hilt and beyond, in the future expansion and development of industry—if only it be given fair treatment and competent leadership. Philadelphia has proven that quite convincingly.

Mitten is actually doing, and very successfully, what he believes all industry must eventually do if it would find a way out of its

difficulties—that is to say, to make two blades of grass grow where before but one sprouted, through the wholesome expedient of making it worth people's while to think for themselves, to become more industrious, more efficient, more responsible, more thrifty. And he is devoting the most productive years of his life to the enjoyable task of teaching capital and labor the finer points of the game of Fifty-Fifty. Then he expects others to carry on.

Rather than waste precious time inveighing against the growth and activity of the trade union movement, it seems to me employers might more profitably review their own short-sightedness in having failed to co-operate with labor, in the obtaining and exercising of rights and privileges quite as essential to the healthy development and expansion of labor, as of capital. Primarily, labor organizations thrive because they seek, professedly, to satisfy a natural want in men, a want that capital either overlooks or chooses to ignore.

The zeal with which men band themselves together in industry, as well as the enthusiasm with which they adhere to movements often of little vision and less promise, or to leadership perhaps of the most inferior quality, demonstrate clearly enough the inherent desire for co-operative accomplishment. This primary inclination, this natural aptitude for co-operative effort, is so plainly defined and so universally diffused throughout all labor, as to constitute a vast reservoir of raw material of almost incalculable possibilities.

A higher power put into man this instinct for group contact, for group effort, group betterment; and though he may sometimes mistake theories for principles, or prejudices for ideals, at heart he is a natural-born co-operator. Whether his aims in industry have been good or bad, his objectives worthy or unworthy, is quite beside the question. What does interest society, or should, is the possibility of so developing and directing this great natural force as to bring it to bear upon the problems of modern industry, along lines which will make for greater progress and larger reward for the whole of industry.

Contemporary thinkers to the contrary, the problems of labor more and more are becoming the problems of capital, and vice versa.

It is only the reactionary element in industry which would have the world adhere indefinitely to its age-old fallacy of the incompatibility of jointure, or something approaching jointure between capital and labor, in the solving of problems of mutual and interlocking interest. Servile adherence to what we have conceived to be inexorable economic law has not always been impressive, particularly, when one stops to consider that its past record of accomplishment promises nothing more substantial than a perpetuation of conditions concededly unsatisfactory to all concerned.

As a matter of cold fact, industry has plumbed to the very depths the theory that capital and labor must of necessity develop and function as totally separate and distinct entities, with no tangible tie-in save that arising out of the exercise of force, or perhaps contractual obligations arrived at by hard bargaining and political maneuvering. Parlor theorists will disagree with me, I know; but when I look at the situation in which industry to-day finds itself, and realize their helplessness to work out a constructive remedy, as a practical man it seems to me that the time has arrived to change doctors; to swap the product of the theory-mills for a little common horse-sense.

"I have but one lamp by which my feet are guided and that is the lamp of Experience. I know of no way to judge of the future but by the past." So wrote Patrick Henry many years ago.

If the past has taught industry anything at all, it is this—that any system which seeks to array capital and labor in opposing camps of conflicting aims and purposes, however specious the arguments advanced, will never solve the most perplexing tangle now fronting organized society. I say it never will, because generations of profitless experimentation have in no wise brought us nearer a solution of the difficulty. The recent great strikes, with their ruthless disregard for every right which chanced to stand in their path, proves how negligible has been our progress toward something better. To-day, capital and labor still are working at cross purposes, just as they have throughout the centuries; force pitted against force, each intent

upon its own ends, and neither much influenced by the other in the shaping of plans and policies which intimately affect both.

Very good. But now the thin edge of the entering wedge of industrial co-operation is beginning to make itself felt. From among several score articles which recently have appeared in the more influential magazines and newspapers of the country, I quote the following extract from the editorial columns of the *New York Times*, issue of June 29th, 1922.

“One virtue of employe representation is that it gives scope to occupational self-government, a phenomenon new in industrial life, but quite as precious as local self-government in the political sphere. The vice of old-line unionism is that it vests leadership in men who are not themselves workers, who are generally not chosen by a majority of the union, but by rings and cliques, and who are too often swayed by no sober consideration of the good of the industry, but by motives that have to do with labor politics—their own continuance in power.

“As thus practiced, ‘collective bargaining’ by ‘representatives of the workman’s own choosing,’ is a delusion and a snare. But under employe representation the negotiators are themselves workmen, chosen by a full vote of their fellows, and in their collective bargaining tend to be swayed by sound economics.

“In this new unionism men and management meet as associates who have a common interest. To the old-line unionist, antagonism—with the ever-present threat of a strike—is the breath of life. Whereas employe representatives get together with the management in full knowledge of one another and of the industry which is the livelihood of all, the bargainer of the outside union can have only the traditional attitude of belligerency.”

Industrial co-operation, it is worthy of note, is the servant of no man but of all men. It is immaterial where it finds its friends and

believers, in high places or low, provided only that they be friends and believers. Structurally sound and basically right, it will endure and prosper those whom it would serve, because it conforms to the known laws of God and man. Economically, it is the natural expression of human rights and human aspirations, translated into terms of human effort for human betterment.

It will not cohabit with spleen, violence, distrust or misrepresentation. Chicanery, back stairs work, and secret maneuvering are wholly foreign to its creed. Fogging of issues, appeals to prejudice, and the inflaming of passion each finds its fangs drawn by the enlightenment which comes to men through the medium of frank discussion, honest dealing, earnest purpose. It encourages the productive element in industry, stabilizes the radicalist, and energizes the slothful by giving to each a measure of personal responsibility and just reward commensurate with the worth of the contribution to the common good of all.

Stranger things than this have happened—that the spirit and wisdom of industrial co-operation shall one day become the guiding star and highest concern of the forces of American trade unionism. Even now, I believe it is written in seven-foot letters in the book of the inevitable—for organized labor has not at its command any deep-rooted, forward-looking, economically sound, constructively conceived instrument, plan or policy to set off against this new giant of industrialism.

When that time shall come—and the law of self-preservation would seem to counsel that it cannot now be long deferred—trade unionism will find in Thomas E. Mitten a sympathetic friend, a genuine co-operator, a tireless worker for the good of the whole of industry.

TAKING COUNSEL WITH THE PEOPLE

I HAVE tried to make plain in these pages the fact that the industrial relations problem really is nothing so much as a human nature problem, in the treatment of which we have made but indifferent progress because of the stubborn resistance with which men have opposed every effort to force a solution along lines which they instinctively have conceived to be arbitrary, artificial, mechanical.

At various times we have sought to serve special interests by setting up oligarchies of labor, and oligarchies of money; alternately we have sat upon the lid and been blown into the air; autocracies of leadership, philanthropic schemes, Utopian dreams, paternalistic ideas, efficiency hobbies, class spirit, factional grabs, parlor ideals, and the gospel of brute force, have each had their innings and each been discarded by thinking men because no one of them offered anything more than a temporary sedative for the ills of industry.

Haggling over the form and neglecting the substance of mass betterment, similarly has in no wise advanced the interests either of labor or capital. Trade unionism, for example, conceivably may be moulded into a very useful instrument in the cause of a larger, happier, more prosperous state of industry—or it may be fashioned into a heavy burden for the backs and hearts of men to bear. That it thus far has fallen short of the hopes of its well wishers, is due in good part to its destinies having been intrusted to unskilled hands and astigmatic minds.

The disturbing issue of the open or closed shop, is of infinitely less moment to the future happiness and well-being of men, than is the effort now going forward to make open minds of those heretofore closed to the dictates of reason and justice. In reality, such issues mean nothing, amount to nothing, except they be looked upon as contributing something substantial to the attainment of definite objectives. But if such objectives may be reached without

recourse to bitter controversy and wasting strife—which is the very nub of the science of industrial co-operation—then profitless discussion of issues which no longer exist in point of fact, must automatically dissolve into thin air.

Quite obviously, then, the thing for men to do is to search out a system of human relations which shall take reason and justice for its guide; inculcate in men, whether of labor or capital, a common desire for fair dealing and just recognition of worth; which shall school men to be tolerant of the rights and opinions of their fellows; encourage all to give of their best rather than their worst, and which, while stimulating production and so adding to the world's available store of wealth, shall also insure a more equitable distribution of the fruits of industry.

Upon these terms and subject to these conditions, I make so bold as to invite the most searching examination of the fundamentals underlying Mitten Industrial Co-operation, and of the results which actually have been accomplished over a period of nearly twelve years, in the achieving of which public, worker, investor, patron, pulpit, press and management, have each contributed abundantly to the end that the common interest of each might be made the common interest of all.

It is related of Stephen Girard that one day coming upon a poor carter whose horse had dropped dead, and observing the crowd of sympathizers standing about mouthing vain regrets, he pulled out his purse and extracted a bill, saying—

“Well, men, I’m sorry five dollars’ worth. How sorry are you?”

We need something of that same practical spirit to-day. Altogether too many stuffed prophets are cluttering the scenery, and filling the air with lamentations anent the acute situation now obtaining in industry. We know, of course, that things are not right—that the dull red glow of anarchy smoulders here and there beneath the surface of present-day industrial relations, at once a menace to society, a challenge to government, a threat to all and sundry who would dare oppose its will.

But what is of vastly greater importance is the fact that industry now knows the way out of this pest hole of misunderstanding, this veritable slough of strife and destruction. Girard wasted no time theorizing about a dead horse; no more should we about an equally dead system of industrial relations. The time has come to be up and doing, to strike out boldly and confidently, to carry the case to the people precisely as Mitten has been doing in Philadelphia with such pronounced success.

It is not enough, mark you, that worker and employer should succeed in reconciling their individual differences, and then stop, under whatever system of relations; for such an arrangement conceivably may lead to a sacrificing of the larger interest attaching to the public welfare; to an extent, even, which might smack of a conspiracy against those who, in the final analysis, really support industry and make possible the profitable employment of men and money. Which brings one to a consideration of yet another phase of Mr. Mitten's conception of the ultimate in community industrial co-operation.

As nearly as has been possible in a municipality approaching two millions of people, Mitten has succeeded in developing a kind of New England town meeting spirit for keeping in close touch with his fellow citizens, and for keeping them fully informed of his plans and progress respecting the operation and expansion of their chief public utility. For many years he has utilized his office as a clearing-house for the free interchange of ideas and opinions having to do with the collective well-being of the community. It was not all plain sailing at first, but as people came to grasp the possibilities of community participation in fields from which theretofore they had been rather rigidly excluded, a feeling of neighborliness gradually began to manifest itself, from which later was to develop that aggressive spirit of community co-operation which is to-day so outstanding a characteristic of the Philadelphia situation.

In the early days there were those, of course, who would have stampeded him up blind alleys, had he permitted, and others who came with private axes to grind. Influential citizens waited upon

him singly and in groups to explain what he should or should not do. Much of it was helpful, some positively harmful. But all of it furnished first-hand contact with the great outside public, a connection which he early appraised as being indispensable to the future development and expansion of his plans.

These first interviews gave rise to many interesting accounts of Mitten's penchant for promenading on the pet corns of those who would have him serve private interests at variance with his own conception of the duty he owed the public weal.

One morning a particularly wrathful delegation called upon him for the purpose of protesting the projected re-routing of a car line into territory where it could more efficiently serve a larger number of patrons. Because it always had traversed certain streets, the delegation argued, it always must. Traffic checks which showed that relatively few people used the line on its old route were produced to no avail. Mitten resolutely stood his ground. Finally, in a burst of indignation, the spokesman declared—"You'll not last, sir. You'll not last long in this city."

In the light of what since has been accomplished, Mitten's rejoinder was not without elements of prophecy, for in it he laid down the very planks and principles to which he was to adhere throughout the years to come, and from which all industry eventually was to draw a new inspiration for higher and finer ideals of service.

"Perhaps you are right," he replied. "But depend upon it, I'll make the dust fly hereabouts while I do last. The people who patronize these cars are entitled to service, something they never have had. And the workers who operate this property, have a right to a square deal, something they've never received. And the citizens who have invested their savings in the securities of this Company, must be given fair treatment, however old-fashioned such an idea may now be. Henceforth, this is to be a community enterprise, with a reason for everything we do, and a willingness to state the reason in open meeting. I may not last, gentlemen, but while I am here I shall hew to the line of those four objectives."

I think Mitten's early successes in Philadelphia might have been more difficult of accomplishment, certainly slower, but for a noisy little band of professional calamity howlers and volunteer apologists who rendered valiant if unintentional service, in helping him to carry each successive step of his case directly to the people. In this manner the interest of great numbers of citizens was awakened to the importance of what was going forward in their midst, and a truly ideal setting created for launching the initial phases of what he has since termed "Community Industrial Co-operation."

So much gush and gammon, and red-herring hokum, has been written about the rights of the great Third Party in serious industrial upheavals, and so little actual disposition manifested to put such teachings to any productive purpose, save as a last resort in time of stress and conflict, that I am constrained to quote certain extracts from recent writings of Mr. Mitten which have a very direct and vital bearing on this most important angle of the problem.

"It has taken industry a surprisingly long time to realize that the real value of the power of public opinion rests in the fact that it is hostile neither to capital nor labor, but is, on the contrary, intensely friendly to both, if only either or both will accept of its good offices on terms mutually fair to all concerned.

"Much of the time, unfortunately, public opinion has been split up into factions, and so rendered impotent to bring the full power of its influence to bear in favor of either, let alone both, because of the seemingly hopeless inability of labor and capital to agree among themselves upon any definite, concerted, harmonious plan of development and procedure.

"To my mind, the logic of the situation urgently requires that labor and capital shall so reshape their views and relations as to make possible and profitable a more active participation in their joint undertakings by the great outside public. Much of the narrowness which characterizes the attitude of capital and labor toward each other, even in our time, is directly traceable to the reactionary influence of the closed-door policy of public relations.

"To whatever extent the public mind may be prevailed upon

actively to interest itself in the affairs of labor and capital, to just that extent will good accrue to each of these great economic forces. So firmly am I committed to this opinion—to this union of investor, worker, operator, consumer, public—as to incline me strongly to the belief that there can be no permanently satisfactory solution of the root difficulty, until some such understanding shall have been welded into an accomplished fact.

“I do not apprehend that the public mind instantly will react to the vast possibilities of such a consolidation of interests, for it has been rather badly educated over a long period of time by the ceaseless wrangling of capital and labor for the control of industry. For this reason I regard it of paramount importance that industry shall first give tangible evidence of its good faith in such a partnership, by setting its own house in order at the earliest opportunity. Given this, the quickening of the public confidence will be less difficult.

“Thus it is to be seen that present differences between labor and capital, towering as they may now seem, really are but a prelude, an intervening step, a preparatory stage, to the greater opportunity which the combined efforts of all will make available to all. Compared to such a grouping of forces, our truly marvelous triumphs of the past in the world of finance, organization and industry, will appear trivial indeed.

“It may well be that a prolonged educational process will be requisite to the achieving of so stupendous a goal, before mankind may taste of the fruits of a nation-wide brotherhood of industry. Concurrently, I am very far from being convinced that our educational system of to-day is doing its full duty toward a happy solution of this great problem of the masses. There should be closer collaboration between our educators and our leaders of industry, to the end that coming millions may be given the advantage of a more comprehensive understanding of the real needs of that branch of human activity to which the great majority must look for a livelihood; of the need for men and women of broad vision and high purpose to elevate its standards, and to lead its masses to loftier levels and nobler ideals of service.

“Progress is not a thing of instant accomplishment. We must be content to make a start, and then laboriously to weave our way upward toward the light, leaving to succeeding generations the precious heritage of thrusting forward to yet new achievements in the cause of human betterment. Especially would I commend to those who shall follow us in this great undertaking, these inspiring words of Arthur Twining Hadley:—

““If you value the world simply for what you can get out of it, be assured that the world will in turn estimate your value to it by what it can get out of you.

““That man, on the other hand, who values the world for what he can put into it; who deals courteously with his associates, patriotically with his country, and who, under whatsoever creed or form, has that spirit of devotion to an ideal which is the essential thing in religion—that man makes himself part of a world which is bound together by higher motives than the hope of material success.’”

